



NEWS RELEASE

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Iowa Finance Authority Awards Chariton and Forest City Total of \$1.3 Million in Low-Interest Loans for Workforce Rental Housing

Iowa Communities to Benefit from New Workforce Housing Loan Program

Des Moines – The Iowa Finance Authority Board of Directors today approved a combined total of \$1.3 million in low-interest loans to the cities of Chariton and Forest City for the development of new workforce rental housing. The awards were made through the Workforce Housing Loan program, which provides financial assistance in the form of low-cost repayable loans to cities and counties.

“Having one of the lowest unemployment rates in the country translates to an increased demand for workforce housing,” said Governor Terry Branstad. “I commend the cities of Chariton and Forest City for increasing the available housing options to allow their workforce the opportunity to live in close proximity to their workplace.”

“Quality housing is vital to Iowans’ ability to live, work and play in our great state,” said Lt. Governor Kim Reynolds. “The Workforce Housing Loan Program awards announced today will provide Chariton and Forest City families the opportunity to plant roots in the communities in which they work, which will pay dividends for the communities for generations to come.”

The City of Chariton received a \$600,000 loan to assist in the construction of twelve workforce rental housing units. The Charger House Townhomes will consist of six duplex buildings in close proximity to Chariton Schools with rents estimated to be \$750 per month.

The City of Forest City received a \$751,000 loan to assist in the construction of 36 workforce housing units. The Westgate Apartments rents will range from \$700 per month for two-bedroom units and \$800 per month for three-bedroom units.

“The Workforce Housing Loan program awards announced today are leveraging an additional \$4.6 million in other financing sources or \$3.47 for every dollar of Workforce Housing Loan Program funding,” said Iowa Finance Authority Executive Director Dave Jamison. “The program is designed to work in partnership with Iowa communities to fulfill the need for additional workforce housing.”

The Workforce Housing Loan Program application deadline was November 2, 2015. Application considerations included annual job growth, local contributing financial effort, employer investment in the proposed workforce housing project and others. Additional application rounds may be open at a later date at the Iowa Finance Authority’s discretion. The loans have a one percent interest rate with a maximum term of twenty years.

The Iowa Legislature created the Iowa Finance Authority, the state’s housing finance agency, in 1975 to undertake programs to assist in the attainment of housing for low-and moderate-income Iowans.

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